



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Katy Allen  
Ralph G. Tonseth

**SUBJECT:** SEE BELOW

**DATE:** 01-13-04

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Approved

Date

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Council District: Citywide

**SUBJECT: NORMAN Y. MINETA SAN JOSE INTERNATIONAL AIRPORT NORTH CONCOURSE BUILDING – COMMUNICATION CABLES RELOCATION (PACKAGE 0C)**

## **REASON FOR SUPPLEMENTAL MEMO**

To provide additional information after bids were opened.

## **RECOMMENDATION**

Report on bids and award of contract for the Norman Y. Mineta San José International Airport North Concourse Building – Communication Cables Relocation (Package 0C) Project to low bidder, Volt Telecom Group, in the amount of \$440,619, and approval of a contingency in the amount of \$44,062.

CEQA: Resolution Nos. 67380 and 71451, PP 03-12-388.

## **ANALYSIS**

Bids were received on December 11, 2003 with the following results:

<u>Contractor</u>	<u>Total Bid</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
Golden State Utilities Co. (Turlock, CA.)	\$939,500	\$394,977	73
<b>Engineer's Estimate</b>	<b>\$544,523</b>	---	---
Amelco Electric SF Inc. (Martinez, CA.)	\$529,004	\$15,519	(3)
Volt Telecom Group (San Jose, CA.)	\$440,619	\$103,904	(19)

The low bid submitted by Volt Telecom Group is 19 percent below the Engineer's Estimate. Staff considers this reasonable for the work involved.

Council policy provides for standard contingency of 10 percent on public works projects involving utilities. The standard contingency is appropriate for this project.

### **COST IMPLICATIONS**

1. AMOUNT OF RECOMMENDATION: \$440,619

2. COST OF PROJECT:

Project Delivery	\$161,560
Construction	440,619
Contingency	<u>44,062</u>
TOTAL	\$646,241

3. SOURCE OF FUNDING: 520 - Airport Capital Improvement Fund  
526 - Airport Revenue Bond Improvement Fund

4. FISCAL IMPACT: This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy. The project has been reviewed and was determined that it will have no significant adverse impact on the General Fund operating budget.

### **BUDGET REFERENCE**

Fund #	Appn #	Appn. Name	RC #	Total Appn	Amt. for Contract	Adopted Budget Page	Last Budget Action (Date, Ord. No.)
520	4657	North Concourse Building	13049X	\$21,989,000	\$36,660	Page 65	10/14/03 Ord. No. 26997

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526 (548)	4657	North Concourse Building	13049X	\$242,309,000	\$403,959	Page 65	10/14/03 Ord. No. 26997
		<b>Total</b>		<b>\$264,298,000</b>	<b>\$440,619</b>		

**CEQA**

Resolution Nos. 67380 and 71451, PP 03-12-388.

KATY ALLEN  
Director, Public Works Department

RALPH G. TONSETH  
Director of Aviation

TF: SN  
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